14

F8000394 Pet 12 LIBYA
XR Pet 6 Libya

Department of State

TELEGRAM

350 (R)

CONFIDENTIAL 597

PAGE 01 TRIPOL 02176 191109Z

I8
ACTION E-15

INFO OCT-01 AF-12 OEP-01 INT-06 COM-08 CIAE-00 INR-08
NSAE-00 RSC-01 L-04 SS-20 NSC-10 TRSY-11 RSR-01 /098 W
078331

R 191028Z SEP 70
FM AMEMBASSY TRIPOLI
TO SECSTATE WASHDC 6662
INFO AMEMBASSY BENGHAZI

C O N F I D E N T I A L TRIPOLI 2176

SUBJECT: RATE OF OCCIDENTAL'S OIL PRODUCTION

REF: STATE 147123 Pet 12 Libya XR Pet 6 Libya

AS NOTED TRIPOLI 2171, OXY-LARG AGREEMENT ON POSTED PRICES AND TAX RATE INCLUDED PROVISION FOR INCREASE IN OXY'S PRODUCTION ALLOWABLE TO 700,000 B/D. UPON CHECKING AGAIN WITH OXY, EMBASSY LEARNED PRODUCTION BOOSTED TO 700,000 B/D LEVEL EVENING OF SEPT 3--IMMEDIATELY FOLLOWING SIGNATURE OF AGREEMENT. OXY SOURCE ADDED THAT COMPANY HOLDING TO MAXIMUM LEVEL, PLUS INJECTING ABOUT 8,000 B/D OF CONDENSATE FROM GAS LIQUIDS RECOVERY UNIT AT 103 A/ INTO CRUDE STREAM. OXY ACKNOWLEDGES THERE HAS BEEN DISCUSSION WITH MINISTRY OF PETROLEUM OF RESERVOIR ENGINEERING STUDY TO DETERMINE THAT 700,000 B/D LEVEL DOES NOT ADVERSELY AFFECT RECOVERABLE RESERVES. PROPOSAL FOR STUDY ORIGINALLY MADE BY OXY IN EFFORT TO COUNTER MINISTRY'S TECHNICAL ARGUMENTS FOR ENFORCING PRODUCTION CUT-BACKS, BUT OXY REPORTS STUDY NOT AGREED UPON NOR IS RETAINING 700,000 B/D LEVEL CONTINGENT UPON STUDY BEING PERFORMED.

(2) 2. RESTORATION OF OXY PRODUCTION TO 700,000 B/D LEVEL IS PUBLIC KNOWLEDGE IN TRIPOLI, BUT OTHER DETAILS GIVEN HERE HAVE NOT BEEN RELEASED GENERALLY.
GP-4.
PALMER

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY CJ DATE 8/7/81
RDS ☐ or XDS ☐ EXT. DATE
TS AUTH. REASON(S)
ENDORSE EXISTING MARKINGS ☐
DECLASSIFIED ☐ RELEASABLE ☑
RELEASE DENIED ☐
CONFIDENTIAL EXEMPTIONS

Withdrawn 8-10-76